Mitigated Negative Declaration

PROJECT NAME: Eastlake Business Center

PROJECT LOCATION: North side of Otay Lakes Road, west of Hunte Pkwy.

ASSESSOR'S PARCEL NO.: 595-711-09, 595-710-09,10,11 & 12, 595-711-03

PROJECT APPLICANT: IRE Development & Innkeepers

CASE NO.: IS-07-015

DATE OF DRAFT DOCUMENT: October 17, 2007

DATE OF RESOURCE CONSERVATION COMMISSION MEETING:

DATE OF FINAL DOCUMENT:

Prepared by: Benjamin Guerrero, Senior Planner

A. Project Setting

The project site consists of 43.7 acres located on the north side of Otay Lakes Road and west of Hunte Parkway. The project site can be described as containing three distinct areas (See Exhibit 2). Area A contains the existing Eastlake Design District which consists of existing furniture stores and showrooms related to home improvement with ancillary commercial uses. Area B consists of relatively flat vacant building pads. Area C is vacant land and is located at a higher grade (about 28 feet) than Otay Lakes Road. The project site is in an urbanized area in the eastern portion of the City of Chula Vista (see Exhibit 3 – Aerial Map). Topography across the project site is relatively flat and the property is devoid of vegetation. The site is surrounded by residential and commercial/industrial development as follows:

Design District (Area "A") and Eastlake Design Center (Area "B")
North: Single Family Residences
East: Single Family Residences
South: Otay Lakes Road, Single Family Residences
West: Medical Offices & Industrial Businesses

Eastlake Corporate Center Area C:
North: Commercial, Multi-Family residences, Single Family residences
East: Medical Office Buildings
South: Otay Lakes Road, Single-Family Residences
West: Hitachi Business

B. Project Description

The project consists of an amendment to the City of Chula Vista General Plan (GPA) to change the land use designation of approximately 16.7 previously developed acres at the northeast corner of Fenton Street and Showroom Place (851-891 Showroom Place) within the Eastlake Business Center (hereafter referred as Area "A") from Limited Industrial to Commercial Retail. The GPA amendment would allow additional commercial retail types of uses to complement the existing tenant mix.

Concurrent amendments to the Eastlake II General Development Plan (GDP), Eastlake Business Center II Supplemental Sectional Planning Area (SPA) Plan and associated regulatory documents are also proposed for Area A above and parcels identified as Lot 2 of Map 13971 and Lots 5-8 of Map 14395 (herein after referred to as Area B) and 2430 Fenton Street (hereinafter referred to as Area C). The GDP and SPA amendments consist of changing the land use designation of Area A from BC-1 (Business Center Manufacturing Park District) with Design District Overlay to a new commercial (VC-5) land use district; and Area B and C from BC-1 (with area B currently including a Design District Overlay) to BC-4 (Business Center Core District). Also included are certain modifications to the adopted property development regulations in order to accommodate greater design and land use flexibility, including an increase in building height from 35 to 60 feet up to a maximum of 76 feet for Areas B and C.

The project further proposes repeal of the previously adopted Master Use Permit PCC-05-070 for Area A and B and includes approval of conditional use permit and design review for a new hotel and office building on Area C (see Exhibit 2).

The conditional use permit application requests permission to establish and operate an approximately 148,024 square foot, five-story hotel with 156 rooms and 10,000 square feet of conference rooms and other amenities on Area C. The hotel will also provide a restaurant for its guests and a total of 163 parking spaces.

A design review application was also filed for the construction of an approximately 122,071 square foot, four-story Class A office building providing approximately 433 parking spaces in Area C. Both the hotel and office buildings will be served by a reciprocal access and parking agreement.

C. Compliance with Zoning and Plans

The existing zoning of the project sites is follows: Areas A, B & C: BC-1 (Business Center Manufacturing Park District). Areas A and B also include an existing Design District Overlay. The applicant proposes a change of zone as follows: Area A from the existing BC-1 to VC-5 Land Use District; Area B and C from BC-1 to BC-4 (Business Center Core District); The General Plan designation for Area A is presently Limited Industrial and it is proposed to be amended to Commercial Retail. The project further proposes repeal of the previously adopted Master Use Permit for Area A & B and approval of a conditional use permit and design review for a new hotel and office building for Area C.

D. Public Comments

On July 23, 2007, a Notice of Initial Study was circulated to property owners within a 500-foot radius of the project site. The public comment period ended on August 2, 2007. No comments were received.

E. Identification of Environmental Effects

An Initial Study conducted by the City of Chula Vista (including an attached Environmental Checklist form) determined that the proposed project would not have a significant environmental effect because mitigation measures incorporated into the project have eliminated possible significant impacts or reduced them to a level of insignificance. Therefore, the preparation of an Environmental Impact Report will not be required. This Mitigated Negative Declaration has been prepared in accordance with Section 15070 of the State CEQA Guidelines.

Aesthetics/Visual Character

Area A (Eastlake Design District)

The Eastlake Design District Area (Area A) is fully constructed and developed at a height of 35 feet. No increase in height is proposed for Area A. There are no physical changes or impacts to aesthetics or visual character from the proposed change in land use to VC-5 and the repeal of the Design District Overlay.

Area B (Vacant Building Pads)

Development of this Area is not proposed at this time; however, the applicant is requesting an increase in building height from 35-feet currently permitted to 76-feet in the BC- 4 district with increased setback requirements. The firm of Focus360 has provided photo simulations of a conceptual project to illustrate the potential visual impact of future development containing buildings with a height of 76 feet at a building setback of 210 feet from the north property line and 80 feet from the easterly property line. The photo simulations were taken from six observation points. Three observation points are located within the Rolling Hills Ranch residential development that abuts Area B to the north and the remaining three points from Eastlake Woods West residential development, which abuts Area B to the east. The photo simulations illustrate that a combination of increased building setbacks, architectural design and less vertical building massing will avoid any adverse visual impacts (see Appendix A). At the time when actual development is proposed, the applicant will be required to prepare additional visual analysis in conjunction with a request for approval of Design Review entitlements by the City of Chula Vista Design Review Committee (DRC). Therefore no immediate and direct impacts are associated with the change in land use and change in allowable height as part of the current amendments.

The following mitigation measure would ensure that future development of Area B is subject to City adopted land use and design criteria:

At the time when actual development is proposed for Area B, the applicant will be required to comply with the intent and purpose of the PC District Regulations and Design Guidelines and to prepare additional visual analysis in conjunction with a request for approval of Design Review entitlements by the City of Chula Vista Design Review Committee (DRC).

Area C (Eastlake Corporate Center)

A Visual Analysis Report was prepared by Jones and Stokes (June 2007) to analyze the Corporate Center (Area C). This report analyzed the impact of the proposed development from 10 Key Observation Points (KOP). Visual Simulations of the project were created and analyzed to determine the aesthetics of the height and mass of the buildings upon completion of construction. While the report did identify that the proposed development is taller than surrounding development, it concluded that the development would be compatible with the surrounding development. Impacts to all 10 of the KOPs were determined to be less than significant as the view shed from the KOPs were low to moderate scenic quality based upon the proposed fifty (50) foot building setback from the southern property line, which faces Otay Lakes Road. The City of Chula Vista General Plan identifies Otay Lakes Road as a Scenic Roadway. No impacts to Otay Lakes Road were identified by the report as part of the Corporate Center Project and therefore no mitigation is proposed with respect to this roadway. Although the proposed building height exceeds that of surrounding development, visibility of the proposed hotel and office building will be minimized by a combination of greater building setbacks and reduction in vertical massing as viewed from the south.

The considerations contained in the development standards and within the Design guidelines for Eastlake Business Center II for the BC-4 lots and which are applicable to this project are:

> For commercial and industrial buildings greater than 35 feet in height, the Design Review Committee shall consider the following special design objectives in addition to those contained in the Eastlake Business Center II Design Guidelines:
>
> 1. Ensure high quality and fully finished architecture on elevations facing adjoining residential development and properties equal to that of the other sides of the building.
>
> 2. Provide enhanced screening via increased size and/or amount of buffer landscaping and/or screening walls.
>
> 3. Maintain comparable access to light and air at the perimeter lot line based on a 35' building height at the minimum setbacks.
>
> a. Establish a height to setback ratio that achieves the negligible visible impacts of tall buildings as exemplified in the visual simulations conducted for Areas B and C.
>
> b. Maintain a comparable façade area (maximum building width X base height of 35 feet) for elevations facing residential developments or adjoining residential lots. This may be accomplished by reducing the total building width as the height of the building increases so that the total façade area remains roughly the same.
>
> *Example: 35' height X 100' width between side yard setbacks = building area of 3,500 square feet. A 70' tall building would have a target width of approximately 50 feet wide (70' X 50' = 3,500' square feet).*

All future development in the BC-4 Land Use District will be required to comply with these measures. In addition, all development in the area must obtain approval from the City of Chula Vista Design Review Committee. Proposed changes to allow the additional height have been evaluated for consistency with the goals, objectives and policies of the General Plan. The proposed increase in height will allow for development that is consistent with the General Plan and is well planned with appropriate building setbacks and design criteria.

The following mitigation measure would ensure that the proposed building height increase would not result in an adverse impact to the various view sheds:

Height limit for buildings proposed for Area C may be increased up to 76 feet contingent upon compliance with all proposed revisions to the PC District Regulations and Design Guidelines which include a combination of increased building setback, architectural design treatment and reduction of vertical building massing. The Design Review Committee may authorize deviations from these requirements where otherwise consistent with the intent and purpose of the PC District Regulations and Design Guidelines.

Air Quality

An air quality impact analysis was prepared by Jones & Stokes (July 2007) for the proposed project. Following is a summary of the results and conclusions of this air quality report.

Short-Term Construction Impacts

The proposed project will result in a minor increase in air pollutants during the construction phase of the proposed hotel and office building. Fugitive dust would be created during grading and construction activities. Air quality impacts resulting from construction-related operations are considered short-term in duration since construction-related activities are temporary. Construction-related emissions would originate from proposed construction activities related to Area C and would consist of equipment exhaust, workers vehicle exhaust, dust from grading, and exposed soil eroded by wind. Dust control measures required during construction operations would be implemented in accordance with the rules and regulations of the County of San Diego Air Pollution Control District (APCD) and the California Air Resources Board.

Construction

Table 1
Construction Emissions – Area C Corporate Center

	Max. Daily Pollutant Emissions (pounds)			
Construction Activity	**ROG**	**NOx**	**CO**	**PM_{10}**
Site Grading	4.34	31.31	33.71	24.34
Building Construction	11.37	75.62	91.31	26.00
2008 Maximum Value	**11.37**	**75.62**	**91.31**	**26.00**
Building Construction	53.91	98.34	132.19	3.70
2009 Maximum Value	**53.91**	**98.34**	**132.19**	**3.70**
Significance Criteria	>75	>100	>550	>150
Significant?	No	No	No	No

Source: California Air Resources Board-URBEMIS2002 Model

Mitigation measures contained in Section F below would mitigate short-term construction-related air quality impacts to below a level of significance.

Long-Term Operational Impacts

The project site is located within the San Diego Air Basin (SDAB). Based on the Traffic Impact Analysis prepared by Linscott, Law & Greenspan (August 2007), the hotel and office building would generate approximately 3,950 new daily trips. The morning peak hour traffic resulting from the hotel and office project would be equivalent to 429 in and out driveway trips and the evening peak hour would result in 436 in and out driveway trips being generated.

The City has traditionally used the significance emissions thresholds of the South Coast Air Quality Management District (SCAQMD), which is responsible for air quality in the urbanized areas of Los Angeles, Orange, San Bernardino, and Riverside counties. The air quality in the SCAQMD is much worse than the San Diego Air Basin; therefore, the SCAQMD thresholds are very conservative for the San Diego area.

The estimated operational emissions for this project are shown in Table 2 below. As shown on this table, none of the CEQA significance thresholds would be exceeded during operation of the project. The URBEMIS model for urban emissions was used to calculate the input and output data.

Table 2

Estimated Operational Emissions – (Full Buildout Conditions –Area C Corporate Center)

	Max. Daily Pollutant Emissions (pounds)			
	ROG	**NOx**	**CO**	**PM_{10}**
Summer Period				
Area Source Emissions	.66	2.83	3.63	0.01
Vehicular Emissions	30.35	40.24	396.55	50.89
Total Emissions	**31.01**	**43.08**	**400.18**	**50.90**
Winter Period				
Area Source Emissions	.48	2.82	2.36	0.00
Vehicular Emissions	31.60	50.83	360.40	50.89
Total Emissions	**32.08**	**53.65**	**362.76**	**50.90**
Significance Criteria	>55	>55	>550	>150
Significant?	No	No	No	No

Source: California Air Resources Board-URBEMIS2002 Model

A CO hot spot analysis was conducted to determine whether the proposed hotel and office-building project would contribute to a violation of the ambient air quality standards for CO at any local intersections. Three intersections having high a.m. and p.m. peak hour volumes (per LLG Traffic Impact Analysis; August 2007) were modeled for CO impacts. The table below shows the three selected intersections. The results show that the State one-and eight-hour standards of 20 ppm and 9 ppm, respectively, would not be exceeded at any of the three intersections.

Table 3

CO Hotspots Modeling Concentrations (ppm)

	1-hour	**8-hour**	**1-hour**	**8-hour**
Intersection	**AM**	**AM**	**AM**	**AM**
Otay Lakes Rd/ Vons Driveway	6.4	4.2	6.7	4.5
Otay LakesRd/ Eastlake Rd.	6.3	4.2	6.9	4.6
Fenton St/ Harold Pl-Hitachi Pl.	4.4	2.8	4.4	2.8
CAAQS Standard	20.0	9.0	20.0	9.0
Significant?	No	No	No	No

Note: Background concentrations of 3.9 ppm and 2.48 ppm were added to the modeling 1-hour and 8-hour results, respectively.

Paleontological

Data compiled by the San Diego Natural History Museum, Department of Paleo Services was used to assess paleontological resource sensitivity issues in relation to proposed project grading, construction, operation and maintenance activities. The assessment was based both on known paleontological sites within the project area, as well as extrapolated biostratigraphic information derived from rock units in adjacent areas or areas of regional context which indicate the potential for a fossil resource to occur in particular geologic unit. Even though there are no known significant fossil resources found at the project site, the general vicinity has been identified as forming part of an area considered by experts in the field of paleontology as having a "high paleontological resource sensitivity". This rating would require a paleontological monitoring and mitigation program. This means that an approved monitoring program would be available for implementation during grading and excavation activities related to this project. Subsequently, if unique paleontological resources are discovered, all significant fossil material will need to be collected, prepared, identified, and curated, and then placed

into a state-designated scientific repository. Compliance with the mitigation measure contained below in Section F would avoid significant impacts to paleontological resources.

Geology and Soils

Geotechnics INC. prepared geotechnical/soils reports (August 2007) for the proposed development of Area C. The report, approved by the City Engineering Department, states that no adverse geotechnical conditions were encountered which would prohibit the proposed development of project Site C. The preparation and submittal of a final soils report will be required prior to the issuance of a grading permit as a standard engineering requirement.

Project Site "C", where development is proposed has been previously mass graded. There are no known or suspected seismic hazards associated with the project site. The project site lies about four miles west of the La Nacion Fault Zone (an inactive fault zone). The closest recently active fault is the Rose Canyon Fault, located about 14 miles west of the site. The site is not located within an Alquist-Priolo Special Studies Zone. Therefore, project compliance with applicable Uniform Building Code standards would adequately address any building safety/seismic concerns.

The proposed project site C Area is not located within a landslide hazard area or liquefaction hazard area. Landslide hazard areas are areas containing active land-slide-prone terrain. These are typically areas that contain unstable sedimentary rock formations, contain slopes exceeding 25 %. Likewise, liquefaction hazard areas are characterized by shallow ground water tables and poorly consolidated sediments subject to hazards associated with seismically induced liquefaction. No adverse impacts related to landslide or liquefaction is anticipated from development of Area C.

In order to prevent silt discharge during construction, the developer will required to comply with best management practices in accordance with the NPDES General Construction Permit. The appropriate standard erosion control measures would be identified in conjunction with preparation of final grading plans and would be monitored and implemented during construction by the Engineering Division. Therefore, the potential for the discharge of silt into city drainage systems would be less than significant.

Hydrology

A Drainage report was prepared by K&S Engineering (September 2007) and approved by the City's Engineering Department. The study evaluated storm runoff under existing conditions and compared it to the existing conditions plus project conditions (50-year events). The report assessed any potential drainage impact that could be caused, or aggravated by project development. The project proposes to add 8.14 acres of impervious area in the form of rooftops, parking lots, access drives, sidewalks, etc.

The Eastlake Design District Area (Project site A) is fully constructed and developed. Area B is presently vacant and no specific development is proposed. The hotel and office building is proposed for Area C which is presently vacant. Area C has been previously sheet graded, and gently slopes towards an existing desilting basin located in the northwest corner of the project site. The slope along the southern boundary is landscaped with trees, shrubs and grass. The onsite drainage is proposed to be collected in curb, gutters and inlets and discharged at a low point from which it enters a grassed bio swale, clean water filter system units, downspout and stormwater bioretention filtration system (Filterra), located at different corners of the property. Once the runoff is treated, it will flow via an onsite 24-inch lateral pipe towards Fenton Street to an existing 36" storm drainpipe, which has a design capacity of Q50 with an ultimate design capacity of107.97 cfs.

The results of the Drainage Report (September 2007) and Water Quality Technical Report (September 2007) prepared by K&S Engineering were compared with the City of Chula Vista Eastlake Business Center II Master Study. The comparison results indicate that the project run-off flow rate, volume, velocity and duration for the post development condition will not exceed the ultimate design condition of the existing drainage pipe system for 2, 10 or 50-year storm frequency. The proposed development will not alter the natural drainage path or divert any drainage from the current condition or drainage boundaries. Based on these calculations approved by the City of Chula Vista Engineering Department, the project would meet City approved standards and, therefore, would not result in any adverse impacts to public facilities or surrounding properties.

Table 5

Storm Frequency			
		Ultimate Developed Pipe Design Fenton Street for 50-Year Event Per Hunsaker Study	Ultimate Developed Condition Calculated per K& S Engineering
50-Year		107.97 CFS	26.7 CFS
50-Year	Design Velocity	23.0 FPS	17.67 FPS

Water Quality

A Hotel and Office building are proposed for Area C, which is presently vacant. The proposed development will result in 8.14 acres (85%) of impervious area (roofs, parking lots, roadways, sidewalks, etc.). As stated above, Area C has been previously sheet graded, and gently slopes towards an existing desilting basin located in the northwest corner of the project site. The slope along the southern boundary is landscaped with trees, shrubs and grass. The onsite drainage is proposed to be collected in curb, gutters and inlets and discharged at a low point from which it enters a grassed bio swale, clean water filter system units, downspout and stormwater bioretention filtration system (Filterra), located at different corners of the property.

Construction Best Management Practices

In order to properly manage water runoff from the proposed project during the construction phase, the project proposes to incorporate the following management facilities and best management practices:

- Storm Drain Inlet Protection
- Stockpile Management
- Solid Waste Management
- Stabilized Construction Exit
- Vehicle and Equipment Maintenance
- Erosion Control Mats and Spray-on Applications
- Gravel Bag Berms
- Material Delivery and Storage
- Spill Prevention and Control
- Concrete Water Management
- Water Conservation Practices
- Paving and Grinding Operations
- Stabilization of Disturbed Areas
- Permanent Re-vegetation of Man-Made Slopes

BMPs shall be selected, constructed, and maintained so as to comply with all applicable City of Chula Vista Ordinances, policies and regulations and regulatory agency regulations and will be subject to the approval and continued monitoring of the City of Chula Vista.

Post-Construction BMPs

- Limit road widths, parking lot and driveway areas spaces.
- Include as part of the project design self-treating areas such as: large landscaped areas, grass or vegetated swales, and turf block paving areas.
- Directing roof runoff to landscaped areas before discharge to storm drains.
- Propose a Jensen Precast Interceptor and Filterra and storm water system subject to the approval of the City of Chula Vista Engineering Department.

The applicant/developer shall be required to comply with the National Pollutant Discharge Elimination System (NPDES) regulations including the preparation and implementation of a Water Quality Technical Report (WQTR) and a Storm Water Pollution Prevention Plan (SWPPP). The implementation of water quality Best Management Practices (BMPs) as described above will be required in accordance with the NPDES General Permit and as approved by the City Engineer. Based upon the implementation of standard engineering requirements and compliance with requirements of the WQTR, SWPPP and BMPs, water quality impacts would reduce to a level below significance.

Land Use Analysis of Proposed Amendment from Light Industrial to Commercial Retail for Area A

The existing land uses presently found within the 16.7 acres of the Design District (Area A) consist primarily of furniture stores and wholesale/retail distribution and showroom businesses related to home improvement merchandise. The existing land uses are not typically representative of light industrial land uses such as warehousing, light manufacturing, and public storage with some offices. A previous amendment to the Eastlake Business Center II SPA was approved in 2005, which created a Design District Overlay zone that permitted the existing land uses.

In terms of actual land designated for industrial land use, the 16.7 acres represents 7.4 percent of industrial land within the Eastlake Planned Community. Further analysis shows that the 16.7 acres represents less than 1.3% of the industrial lands in eastern Chula Vista and less than 1% of the overall industrial lands within the City. Therefore, the percentage reduction of industrially designated land is fairly small in comparison to the total amount of industrial land available in the City.

The establishment of the Eastlake Design District allowed for an increase in the amount of land uses oriented more towards commercial retail, which is consistent with the current request to change the existing General Plan land use designation from Light Industrial to Commercial Retail. The proposed amendment would reflect more accurately the existing representative commercial/retail uses, which have already begun to be established within this site and would also allow an increase in commercial/retail use. The proposed amendment therefore, is essentially a necessary action to bring consistency between the General Plan and the Eastlake II Business Center SPA.

No adverse impacts as a result of the proposed general plan amendment are anticipated and therefore no mitigation is required.

Noise

Eastlake Corporate Center Proposed Hotel and Office Building

Noise Consultant Jones & Stokes, Inc., prepared an acoustical analysis (August 2007) for the proposed hotel and office development project. The study identified the primary noise source generator as traffic noise from Otay Lakes Road. Additional noise sources identified by the study were from children playing in the distance, and aircraft overflights.

The noise study also assessed potential project impacts from short-term and long-term stationary and mobile noise sources. The sources included onsite construction activities and on-site and off-site operations. An evaluation was made as to whether on-site operations could affect local residences or other noise-sensitive land uses. Additionally, the effects from noise on on-site and off-site noise-sensitive receptors as a result of future traffic volume increases were analyzed.

A noise impact generated by construction or operation activities related to the project would be considered significant if it would result in:

- Exposure of persons to, or generation of, noise levels in excess of standards established in local general plans. The City's exterior noise standard for office buildings and commercial /retail property is 70 CNEL.
- A substantial permanent increase in ambient noise in the project vicinity (an increase of 5 to 10 dBA is generally considered substantial); or
- A substantial temporary or periodic increase in ambient noise levels in the project vicinity (an increase of 15 dBA is generally considered substantial for this type of increase).

Construction Noise

The closest noise-sensitive receptors to the project site are residential land uses to the south of the project site. Construction activities could occur as near as 250 feet from existing residences and as far as 950 feet. A construction noise level of 89 dBA Leq at 50 feet would attenuate to approximately 75-dBA leq at a distance of 250 feet from the source. The City's noise ordinance exempts construction activities from the noise standard (providing that such activities take place between the hours of 7:00 a.m. to 10:00 p.m. Monday through Friday and 8 a.m. to 10 p.m. on Saturdays and Sunday). This provision of the Municipal Code would ensure that surrounding residents would not be disturbed by construction related noise during the most sensitive periods of the day. Project construction work is anticipated to occur between the hours of 7:00 a.m. and 5:00 p.m. weekdays only. Provided that the project's construction activities are limited to the allowed hours, the project's short-term noise impact would be less than significant.

Traffic Noise

Based on the acoustical report prepared by Jones and Stokes, potential operational noise effects would be limited to project-related traffic. The results of the predicted traffic modeling results are shown in Table 4. As shown in Table 4, modeled traffic noise levels in the future (Year 2009) with project scenario would range from 58 dBA CNEL to 68 dBA CNEL.

On-Site (Hotel & Office Uses - Area C) Potential Impacts from Traffic Generated Noise (Otay Lakes Road)

The proposed hotel and pool area are considered to be noise-sensitive areas and would therefore be subject to the City's exterior noise standard of 65dBA CNEL. Based on the site design, the pool area would be located about 220 feet away from the centerline of Otay lakes Road and would be surrounded by a solid six foot high wall. The pool area is also located about 28 feet above the local roadway grade, and would receive acoustical shielding by being located at the top slope. As shown on Table 4, the exterior traffic noise level at the pool area is projected to be approximately 62 dBA CNEL, and thus less than the City's 65 dBA CNEL exterior noise standard.

The office-building project proposes to have employee break areas along the southeast and southwest corners of the building. These areas would be located about 250 feet from the centerline of Otay Lakes Road, and would also benefit by acoustical shielding by virtue of the difference in elevation between the top of slope and the street grade. As shown on Table 4, the exterior traffic noise level at the pool area is projected to be approximately 62 dBA CNEL, and thus less than the City's 65 dBA CNEL exterior noise standard.

The portion of the proposed hotel that would be closest to Otay Lakes Road centerline would be at a distance of approximately 220 feet. The guest rooms of the hotel would be subject to the City's standard of 45 dBA CNEL. As shown in Table 4, the predicted noise level at the southern side of the proposed hotel would be 66 dBA CNEL in the future, which would exceed the city's exterior standard. As a mitigation measure, where exterior noise levels exceed 60 dBA CNEL, the project will be required to submit at the building permit stage an acoustical report containing attenuation features that demonstrate that interior noise levels will be maintained at or below 45 dBA CNEL.

Modern sound-rated construction assemblies as well as the provision of forced-air mechanical ventilation or air conditioning systems (operated with the windows shut) typically provide approximately 20 to 25 decibels of exterior-to-interior noise reduction. Such assemblies and techniques include but are not limited to sound-rated windows and doors and sound-rated exterior wall assemblies. With the implementation of the sound-rated construction materials and a central air conditioning system, noise impacts from traffic sources would be reduced to a level of insignificance.

Parking

Area A (Eastlake Design District)

The Eastlake Design District (Area A) is an existing development that is proposing an amendment to allowable uses within the existing buildings. A Traffic and Parking Study was prepared by Linscott Law & Greenspan (March 16, 2007) for Area A. This study assumed an increased mix of commercial uses typical of what the proposed amendments would allow. The study concluded that there would be adequate parking. Further, additional uses cannot be approved absent evidence of adequate parking availability. The study included a 15% mixed-use reduction and credit based on patrons from the same vehicle patronizing more than one business per trip.

The project proposes an amendment that would change the existing BC-1 (with design district overlay) to a new land use district category to be named Village Center 5 (VC-5) District. Area A would be the only property within the Eastlake Business Center II with the VC-5 Land Use District designation. Although the current proposal is to allow the entire Area A to be converted to commercial retail, this is predicated upon the project meeting the parking standards for each individual type of land use proposed under the VC-5 District.

The PC District Regulations have been amended to require that future changes in use within the development that will alter parking requirements are required to demonstrate adequate parking to the satisfaction of the Director of Planning and Building and the City Engineer. The change to the VC-5 District Planned Community District Regulations for Eastlake II will ensure that no adverse impacts to parking will result within the existing shopping center and therefore no parking mitigation is required.

The parking requirements for the proposed VC-5 and BC-4 Districts will also be amended to provide a new standard for furniture stores and to allow for shared parking subject to a specific procedure for demonstrating adequate parking. The new requirement is based on a parking analysis approved by

the City of Chula Vista that determined the appropriate number of required spaces for furniture stores. The new standard is a refinement to the development code and will not result in adverse impacts to the overall parking requirements.

Area B (Vacant Building Pads)

Specific development is not proposed for the Area B at this time. However, when development is proposed, the project will be required to provide parking on-site that is consistent with the Eastlake Business Center II Planned Community District Regulations. Therefore there are no impacts related to parking at the Design Center associated with this amendment, and therefore no mitigation is proposed.

Eastlake Corporate Center (Area C)

A parking study was prepared by the traffic engineering firm of Linscott, Law & Greenspan (September 2007) to determine the adequacy of proposed parking on-site. In particular, the parking study sought to address the parking needs for a proposed meeting/banquet room space proposed by the hotel land use. The City of Chula Vista does not have parking standards that specifically address hotels with conference room space. A survey of other municipal jurisdictions was also conducted in order to obtain clearer requirements for meeting/banquet room place. For the purposes of determining the parking demand, the City assumed that dedicated conference space would require parking in addition to the City's standard requirement for hotels. The parking study determined that adding the requirement of 1 space per 100 sq. ft. of gross floor area of dedicated conference space in a hotel would adequately address the overall hotel parking requirement.

The parking study took into account the fact that hotel, conference center and office uses peak at different times of the day. It also noted that the proposed hotel is a business hotel, not a tourist hotel. The target market for the hotel is business travelers visiting local companies to conduct business or corporate executives visiting a satellite office in Chula Vista. Business travelers and local companies holding small conferences or meetings in a space larger than the typical office conference room will use the conference room space. The hotel peak demand occurs from 10:00pm to 6:00am while the office peak demand occurs at 8:00am to 5:00pm. The study demonstrates that, even assuming an additional 88 parking spaces need to be provided for the conference rooms independent of the standard hotel parking requirements, there is adequate parking for the hotel (with conference rooms) and the office building to operate independently. The owner's of the Corporate Center hotel and office buildings will be entering into a private reciprocal parking agreement to share parking as needed between the properties in order to take advantage of their different peak demands and the minimum of 35 excess parking spaces that are available at any given time. This agreement will be incorporated into the CC&Rs for the subject properties and recorded with the County Recorder. This will ensure that adequate parking is being provided for conference use on evenings and weekends.

Using the most conservative and restrictive of scenarios and parking requirements, the study demonstrated that the total peak parking demand of 561 spaces would occur at 10:00am. The Corporate Center is proposing 596 parking spaces, which results in an excess of 35 spaces at the peak hour over the theoretical maximum demand. Therefore the study concluded that the 596 spaces are adequate for the proposed land uses at the Corporate Center and therefore no mitigation is required. Furthermore, a condition of approval for the required conditional use permit for the hotel will allow the City of Chula Vista to require a Shared Parking Agreement if the City determines that there is a demonstrated need for more parking on one or both of the sites after the hotel is in operation.

<u>Traffic</u>

The traffic-consulting firm of Linscott, Law and Greenspan (LLG) performed a traffic impact analysis for Areas A, B and C (September 2007). For Area A the traffic report analyzed a project proposing 125,100 square feet of furniture stores, 39,350 square feet of office floor space, 39, 350 square feet of specialty retail/Strip commercial and 27,800 square feet of restaurant space for a total of 231,566 square feet. For Area B the traffic report analyzed a high intensity land use consisting of 160,000 square feet of specialty retail/strip commercial simulating a daily worst-case scenario for the future potential development of this site. For Area C, the traffic report analyzed a proposed 155-room hotel with 10,000 square foot of convention/meeting rooms and a 120,000 square foot office building.

Eastlake Design District (Areas A & B)

The Eastlake Design District is located in the northeastern quadrant of the Otay Lakes Road/Fenton Street intersection. Otay Lakes Road, a classified Six-Lane Major, west of Paseo del Rey, and a Six-Lane Prime Arterial from Paseo del Rey to the SR-125 alignment, provides the east-west access to Areas A& B. From Otay Lakes Road, the only access to the site is from Fenton Street via Showroom Place. Showroom Place is a 40-foot wide unclassified two-lane cul-de-sac providing access to the project site.

Area A is an existing development consisting predominantly of furniture stores. This development is complete and most of the buildings are occupied. The traffic study prepared by LLG (August 2007) analyzed the proposal to modify the present permitted land uses to allow for a mix of office, restaurant and specialty retail. While the current proposal is to allow the entire Area A to be utilized for commercial retail uses, the amount of available on-site parking will limit the actual amount and type of commercial retail uses which may occur.

Area B is presently vacant and even though no site-specific project is proposed, the traffic impact report analyzed a worst-case scenario, which included specialty retail uses. Subsequent changes to the applicant's proposal have resulted in Area B being proposed for BC-4 uses instead. BC-4 uses are industrial in nature and have less daily trip generation potential then specialty retail, which were analyzed in the traffic study. The City Engineering Department has determined that this change will not result in any additional daily trip generation.

The existing land uses of Area A are calculated to generate a total of 1,110 ADT with 44 trips during the AM peak hour (31 inbound and 13 outbound) and 100 trips during the PM peak hour (50 inbound and 50 outbound). With the proposed land use change, Area A would generate a net 3,900 ADT with 139 trips during the AM peak hour (110 inbound and 29 outbound) and 355 trips during the PM peak hour (189 inbound and 166 outbound).

Area B site land uses were calculated to generate a total of 5,440 ADT with 163 trips during the AM peak hour (98 inbound and 65 outbound) and 448 trips during the PM peak hour (224 inbound and 224 outbound).

The traffic study calculated the traffic for Areas A & B to be a net of 9,340 ADT with 302 trips during the AM peak hour (208 inbound and 94 outbound) and 803 trips during the PM peak hour (413 inbound and 390 outbound), with the pass by reduction.

<u>Short-Term Impacts (Year 0 to 4)</u>

Based on the traffic impact study results, in the near term with the project, all intersections are calculated to operate at Level of Service D (LOS) D or better except the Otay Lakes Rd/Vons Driveway intersection, which is calculated to continue to operate at LOS F during the PM peak hour. The impact at this intersection is considered to be cumulative in nature. Since this is a cumulative

impact, the following recommended traffic mitigation is tied to development of Area C and would result in this intersection operating at an acceptable LOS C during the AM peak hour and LOS D during the PM peak hour:

- Prior to the issuance of the first building permit for Area C the Applicant/Developer shall pay the required amount of Transportation Development Impact Fees (TDIF) as confirmed by the City of Chula Vista City Engineer to cover its share of the cost of improvements at the intersection of Otay Lakes Rd/Vons Driveway, as described in the Project's Traffic Impact Analysis (September 2007).

In the near-term with development of Area A, all segments are calculated to operate at a LOS C or better. The segment of Eastlake Parkway between Fenton Street and Otay Lakes Road is calculated to operate at an LOS D.

Long-Term Impacts (Horizon Year 2030)

Based on the traffic study, all intersections are calculated to operate at LOS D or better in the Year 2030, except the following:

- Otay Lakes Road/Vons Driveway (LOS E during the AM peak hour and LOS F during the PM peak hour) – Cumulative Impact (without mitigation)
- Fenton Street/Showroom Place (LOS F during the PM hour) – Direct Impact

In addition to the above-mentioned mitigation measure for Area A and Area B, the following mitigation will be required to address a long term direct project impact. Once this mitigation is implemented the intersection of Fenton Street/Showroom Place is projected to operate at an acceptable LOS B:

- The Applicant/Developer shall be required to enter into an agreement to design, construct, and secure a fully actuated traffic signal including interconnect wiring, mast arms, signal heads and associated equipment, underground improvements, standards and luminaries prior to completing development of Area B at the intersection of Showroom Place and Fenton Street or as determined and approved by the City Engineer. The Applicant/Developer shall bond for the signal improvement prior to the issuance of the first building permit for Area B. The bond shall be in an amount equal to 200% of the engineer's estimate for development of Area B. If signal plans are submitted prior to the first building permit for Area B with an approved engineer's cost estimate, then the bond may be reduced to as low as 100% of the estimated cost. The Applicant/Developer shall also provide one shared through/right-turn lane and one left-turn lane on southbound (outbound) Showroom Place. The Applicant/Developer shall also provide one left-turn lane and one right-turn lane on northbound Fenton Street with right-turn overlap phasing.

Hotel and Office Buildings (Area C)

To identify potential traffic impacts associated with the development of the project, a Traffic Impact Analysis was prepared by the traffic engineering firm of Linscott, Law & Greenspan (September 2007). The traffic study projected that the proposed hotel and office building will generate an estimated total Average Daily Traffic (ADT) of 3,950 driveway trips, with 429 trips occurring in the AM peak hour (358 inbound and 71 outbound) and 436 trips occurring in the PM Peak hour (136 inbound and 300 outbound).

The proposed project will take access from an existing driveway on Fenton Street (see project site plan Exhibit B). The City of Chula Vista Circulation Plan classifies Fenton Street as Class I Collector. Otay Lakes Road will provide the east-west access to the site. Otay Lakes Road is classified as a Six-Lane Major west of Paseo del Rey, and as a Six-Lane Prime Arterial from Paseo del Rey to the SR 125 alignment.

Short-Term Impacts (Year 0 to 4)

Based on the traffic impact study results, in the near term with the project, all intersections are calculated to operate at LOS D or better except the Otay Lakes Rd/Vons Driveway intersection, which is calculated to continue to operate at LOS F during the PM peak hour. The impact at this intersection is considered to be cumulative in nature. The following recommended traffic mitigation would result in this intersection operating at a LOS C during the AM peak hour and LOS D during the PM peak hour:

- Prior to the issuance of the first building permit for Area C the Applicant/Developer shall pay the required amount of Transportation Development Impact Fees (TDIF) as confirmed by the City of Chula Vista City Engineer to cover its share of the cost of improvements at the intersection of Otay Lakes Rd/Vons Driveway, as described in the Project's Traffic Impact Analysis (September 2007).

Long-Term Impacts (Horizon Year 2030)

Based on the traffic study, all intersections are calculated to operate at LOS D or better in the Year 2030, except the following:

- Otay Lakes Road/Vons Driveway (LOS E during the AM peak hour and LOS F during the PM peak hour)

The mitigation measure proposed to address short term impacts for development of Area A & B above will consequently adequately address the same identified long-term impact to this intersection.

Conclusion

The identified traffic impacts for Areas A, B and C have been adequately analyzed by the traffic engineering firm of Linscott, Law & Greenspan and said analysis has been reviewed and approved by the traffic engineering section of the City of Chula Vista. The implementation of the proposed mitigation measures for the identified short term, long term, cumulative and direct traffic impacts will result in acceptable levels of operation of these intersections.

Sewers

Sewer flows from the proposed project have been identified in the sewer capacity studies (August 2007) prepared by K&S Engineering for the existing Eastlake Design District (Area A) and for the multi-story hotel and office building proposed for Area C. Any proposed change in land use development of Area B would be subject to further sewer analysis as determined by the City Engineer. The sewer study for the Design District (Area A) analyzed the existing development and two proposed restaurants for the project site. The sewer study for Area C analyzed the proposed flows of the hotel and office building. No further sewer analysis was performed either for Area B or for additional restaurants that may be proposed for Area A. Based on the off-site sewer analysis for

Area A and C, the proposed projects as described above would not significantly impact the existing off site downstream wastewater facilities and would not trigger additional sewer improvements. However, additional sewer analysis would need to be performed by the applicant/developer, if there is any change in land uses associated with the future development of Area B.

No adverse impacts to City sewer capacities or facilities are noted, therefore no mitigation is required.

E. Mitigation Necessary to Avoid Significant Impacts

Aesthetics/Visual Quality

1. Height limit for buildings proposed for Area C may be increased up to 76 feet contingent upon compliance with all proposed revisions to the PC District Regulations and Design Guidelines which include a combination of increased building setback, architectural design treatment and reduction of vertical building massing. The Design Review Committee may authorize deviations from these requirements where otherwise consistent with the intent and purpose of the PC District Regulations and Design Guidelines.

2. At the time when actual development is proposed for Area B, the applicant will be required to comply with the intent and purpose of the PC District Regulations and Design Guidelines and prepare additional visual analysis in conjunction with a request for approval of Design Review entitlements by the City of Chula Vista Design Review Committee (DRC).

Air Quality

3. The following air quality mitigation measures shall be implemented during grading and construction:
    a) Minimize simultaneous operation of multiple construction equipment units
    b) Use aqueous diesel fuel and lean NOx catalysts for all heavy diesel engine construction equipment
    c) Use electrical construction equipment as practical
    d) Use catalytic reduction for gasoline-powered equipment
    e) Water the construction area twice daily to minimize fugitive dust
    f) Pave permanent roads as quickly as possible to minimize dust
    g) Use electricity from power poles as opposed to mobile power generators
    h) Pave last 100 feet of internal travel path prior to exiting onto a public street
    i) Install wheel washers by a paved apron prior to vehicle entry on public roads
    j) Remove any soil/dirt from public streets within 30 minutes of occurrence
    k) Suspend all soil disturbance and travel on unpaved surfaces if winds exceed 25 mph.

The air quality mitigation measures shall be shown on all applicable grading, and building plans and details, notes, or as otherwise appropriate, and shall not be deviated from unless approved in advance in writing by the City's Environmental Review Coordinator.

Paleontological

4. Prior to the issuance of a building permit for Area C, the applicant/developer shall have a paleontological monitoring program approved by the Environmental Review Coordinator. Said monitoring program shall be implemented during grading, excavation, and utility trenching activities in order to mitigate potential impacts to any undiscovered nonrenewable paleontological resources (i.e. fossils).

Hydrology and Water Quality

5. In order to reduce potential water quality impacts, the applicant/developer shall be required to comply with the National Pollutant Discharge Elimination System (NPDES) regulations including the preparation and implementation of a Water Quality Technical Report (WQTR) and a Storm Water Pollution Prevention Plan (SWPPP). The WQTR shall be prepared pursuant to the provisions of the City of Chula Vista Development and Redevelopment Projects Storm Water Management Standards Manual. The SWPPP shall be prepared pursuant to the provisions of the NPDES General Construction Permit. The applicant/developer shall also implement water quality Best Management Practices (BMPs) as approved by the City Engineer.

6. All runoff from the project area shall be directed to, and pre-treated by, a Treatment Control BMP before discharge to public storm drainage systems. The design of high efficiency BMP's such as vegetated swales shall be in accordance with criteria established by the California Stormwater Quality Association in the California Stormwater BMP Handbook (BMP#TC-30).

7. Prior to commencement of grading, temporary desilting and erosion control devices shall be installed. Protective devices shall be provided at every storm drain inlet to prevent sediment from entering the storm drain system. These measures shall be reflected in the grading and improvement plans to the satisfaction of the City Engineer and Environmental Review Coordinator.

Noise

8. Pursuant to Section 17.24.050(J) of the Chula Vista Municipal Code, project-related construction activities shall be prohibited between the hours of 10:00 p.m. and 7:00 a.m. Monday through Friday and between 10:00 p.m. and 8:00 a.m. Saturdays and Sundays.

9. Prior to the issuance of building permits, the Applicant/Developer shall submit a noise report supported by data identifying specific noise attenuation features to be included in the project design, to the City of Chula Vista Environmental Review Coordinator and the City Building Official demonstrating that noise levels will be less than 45 dBA for those hotel guest rooms facing south towards Otay Lakes Road.

Traffic

10. Prior to the issuance of the first building permit for Area C, the Applicant/Developer shall pay the required amount of Transportation Development Impact Fees (TDIF) as confirmed by the City of Chula Vista City Engineer to cover its share of the cost of improvements at the intersection of Otay Lakes Road/Vons Driveway, as described in the Project's Traffic Impact Analysis (September 2007).

11. The Applicant/Developer shall be required to enter into an agreement to design, construct, and secure a fully actuated traffic signal including interconnect wiring, mast arms, signal heads and associated equipment, underground improvements, standards and luminaries prior to completing development of Area B at the intersection of Showroom Place and Fenton Street or as determined and approved by the City Engineer. The Applicant/Developer shall bond for the signal improvement prior to the issuance of the first building permit for Area B. The bond shall be in an amount equal to 200% of the engineer's estimate for development of Area B. If signal plans are submitted prior to the first building permit for Area B with an approved engineer's cost estimate, then the bond may be reduced to as low as 100% of the estimated cost. The Applicant/Developer shall also provide one shared through/right-turn lane and one left-turn lane on southbound

(outbound) Showroom Place. The Applicant/Developer shall also provide one left-turn lane and one right-turn lane on northbound Fenton Street with right-turn overlap phasing.

E. Consultation

1. Individuals and Organizations

City of Chula Vista:
Jeff Steichen, Planning and Building
Steve Power, Planning and Building
Luis Hernandez, Planning and Building
Jim Newton, Engineering
Luis Pelayo, Engineering
Sandra Hernandez, Engineering
Tom Adler, Engineering
Khosro Aminpour, Engineering
David Kaplan, Engineering
Richard Preuss, Police Department
Sam Escalante, Fire Department
Dan Wery, Project Planner, RBF

Applicant/Property Owner: IRE Development
Agent: Michael A. Vogt, President

2. Documents

City of Chula Vista General Plan, (December 2005)

Title 19, Chula Vista Municipal Code

Air Quality Impact Analysis, Jones & Stokes, July 2007

Visual Analysis Report for Eastlake Corporate Center, Jones & Stokes, July 2007

Sewer Capacity Study, Eastlake Corporate Center, K&S Engineering, August 2007

Sewer Capacity Study, Eastlake Design District, K&S Engineering, August 2007

Water Quality Technical Report, Eastlake Corporate Center, K&S Engineering, August 2007

Drainage Report, Eastlake Corporate Center, K&S Engineering, August 2007

Geotechnical Soils Rpt, Vol. I & II, Eastlake Corporate Center, Geotechnics Inc., August 2007

Noise Analysis, Eastlake Corporate Center, Jones & Stokes, August 2007

Noise Analysis, Eastlake Design Center, Jones & Stokes, August 2007

Parking Study, Eastlake Corporate Center, LLG, August 2007

Parking Study, Eastlake Design District, LLG, August 2007

Traffic Impact Analysis, Eastlake Corporate Center, LLG, August 2007

Traffic Impact Analysis, Eastlake Design Center, LLG, August 2007

Initial Study

This environmental determination is based on the attached Initial Study, and any comments received in response to the Notice of Initial Study. The report reflects the independent judgment of the City of Chula Vista. Further information regarding the environmental review of this project is available from the Chula Vista Planning and Building Department, 276 Fourth Avenue, Chula Vista, CA 91910.

_____ Date: _____

Benjamin Guerrero, Senior Planner

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